

# CONNECTICUT DEMOCRATS

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December 2, 2010

Christopher Hughey, Acting General Counsel  
Office of the General Counsel  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

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OFFICE OF GENERAL  
COUNSEL

MUR # 6439

Dear Mr. Hughey:

By this letter, we hereby submit a formal complaint regarding the Linda McMahon for Senate<sup>1</sup> campaign and its violation of federal election laws by coordinating with and using the corporate resources of her family's company, World Wrestling Entertainment, Inc. ("the WWE").

We have previously submitted a complaint regarding the WWE's illegal in-kind contributions to the McMahon campaign.<sup>2</sup> Since that time, the WWE has continued to use its resources to increase political support for Linda McMahon in a manner which may involve illegal coordination.

Prior to her announcement as a candidate for U.S. Senate, Mrs. McMahon was the CEO of the WWE. Her husband, Vince McMahon, is currently Chairman and CEO of the WWE, responsible for oversight and coordination of day-to-day activities within the company.<sup>3</sup> Her children and their spouses served as executives or talent in the company. Although WWE is publicly traded, Mrs. McMahon and her immediate family control 88% of the company's voting shares and, according to the WWE, in its annual 10-K filing with the SEC, "Mr. and Mrs. McMahon can effectively exercise control over our affairs."<sup>4</sup> She has made her association with the company a cornerstone of her Senate campaign, and her name is synonymous with the WWE.

There are at least three major examples of possible improper coordination between Mrs. McMahon and WWE. These include WWE's new political campaign and 'rapid-response' news operation on behalf of Linda McMahon's Senate campaign, WWE's scheduling of the first-ever "Fan Appreciation Day" the Saturday before Election Day in Hartford, and WWE's potential interference with voting on election night in Bridgeport.

## Improper Coordination between McMahon and WWE

After *Citizens United*, a corporation can only spend money on a campaign in the form of an uncoordinated independent expenditure:

No expenditure shall be considered independent if the person making the expenditure allows a candidate, a candidate's authorized committee, or their agents, or a political party committee or its agents to become materially involved in decisions regarding the communication as described in 11 CFR 109.21(d)(2), or shares financial responsibility for the costs of production or dissemination with any such person.<sup>5</sup>

Mrs. McMahon, along with her husband, continues to own an 88% controlling voting share in the WWE, implying she continues to retain ultimate "financial responsibility" for WWE events.

Furthermore, an expenditure is coordinated if it is "made in cooperation, consultation or concert with, or at the request or suggestion of, a candidate."<sup>6</sup> Coordinated expenditures must be considered as "an in-kind

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contribution to...the candidate...with whom or with which it was coordinated and must be reported as an expenditure made by that candidate."<sup>7</sup> An in-kind contribution must "be reported as a contribution in accordance with 11 C.F.R. §104.3(a),"<sup>8</sup> but it is illegal for corporations to make direct campaign contributions, in-kind or otherwise, to candidates for federal office.<sup>9</sup>

### ***WWE's Political Campaign and Rapid-Response News Media Operation to Reinforce Linda McMahon's Candidacy***

Throughout the campaign, Linda McMahon has consistently dodged questions and charges directed at her regarding the WWE. Questions raised to her political campaign were answered by her corporate public relations office. The company itself has directly engaged with the news media on Mrs. McMahon's behalf throughout the campaign on a variety of issues, from McMahon's involvement in the production of a pornographic television event<sup>10</sup> to the deaths of wrestlers formerly employed by her company.<sup>11</sup>

On Monday, October 18, 2010, WWE dropped all pretenses and launched a massive rapid-response campaign to reinforce Linda McMahon's political campaign and defend against attacks. News reports are that "the company, in which Linda McMahon's campaign has referred many questions about its operations, is taking a bigger role in the campaign."<sup>12</sup> In a videotaped message, WWE Chairman and CEO (and Linda McMahon's husband) Vince McMahon stated:

[The] United States senatorial campaign in Connecticut involving my wife, former WWE CEO Linda McMahon, and Attorney General Richard Blumenthal, has quite frankly put the spotlight on WWE, and has resulted in some negative and inaccurate attacks on our company. So we're reaching out directly to you, the WWE universe, our fans, to provide the real facts about WWE. And we ask you to join us in responding to these malicious attacks against the company and you, our viewers. We've initiated a new campaign called "Stand Up for WWE." We'll be posting videos regularly on WWE.com to set the record straight. And we ask you to utilize Youtube, Twitter, Facebook, as well as WWE.com to correct biased and inaccurate media reports. We encourage you to sign on to WWE's facebook page and upload your videos, your pictures, and your stories on Youtube, voicing your support for WWE. Let's show the world the power of World Wrestling Entertainment. Let's stand up for WWE. Thank You.<sup>13</sup>

As part of this initiative, WWE has purchased commercial broadcast time in Connecticut extolling the company's work with the "Make-a-Wish" foundation. These ads prominently include the likeness of Linda McMahon, and may also violate FEC rules regarding coordinated communication.<sup>14</sup>

Through this new initiative, spearheaded by her husband, the Republican U.S. Senate candidate in Connecticut is directly marshalling the resources of her family's billion dollar corporation to defend her flagging campaign against legitimate questions. It is inconceivable that this major, comprehensive, and public effort aimed directly at those news organizations currently covering the election was not undertaken in coordination with Linda McMahon's Senate campaign. As such, it may represent illegal coordinated campaign expenditure.

### ***"Fan Appreciation Day" Rally to Bolster the McMahon Campaign***

In a news release on September 30, 2010, the WWE announced it would hold its first-ever "Fan Appreciation Day" in Hartford, Connecticut's capital city, on October 30th – three days before the midterm elections.<sup>15</sup> This is the first such event ever in the history of the WWE. Paul Levesque (better known by his ring name "Triple H") – Linda McMahon's son-in-law and a prominent surrogate for the campaign<sup>16</sup> – is returning to WWE for a one-night only appearance at the event.<sup>17</sup>

Asked about the curious timing of the event (in an article discussing WWE's public actions during the campaign defending attacks on Linda McMahon's stewardship of the company), WWE spokesman Robert Zimmerman said, "WWE wanted to thank our fans for the support and putting up with everything that's been said about the company and sticking by us and putting on a fan appreciation show."

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This statement, combined with the timing and location of the event, raises serious questions about whether this first-ever "WWE Fan Appreciation Day" is little more than a thinly-veiled attempt to rally support for Linda McMahon's candidacy less than 72 hours before the polls open on Election Day. Given Linda McMahon's controlling familial interest in the company, and her husband's role in orchestrating the major actions of the company, the event may represent illegal coordinated campaign expenditure.

#### *Potential Interference with Voting in Bridgeport*

WWE also has scheduled a taping of its 'Smackdown' program in the heart of the heavily Democratic city of Bridgeport on election night, suggesting intent to suppress voter turnout in the area.<sup>18</sup> Recent news reports have described the event and its potential to adversely affect voter turnout for Democrats:

The show will begin at 6:45 p.m., a full hour and 15 minutes before the polls close in a district that went 60-40 for President Obama in 2008. The venue can hold up to 10,000 people. And Democrats are worried that -- whether they're stuck in traffic or watching a large man in tights get bodyslammed -- a significant number of voters might not make it to the polls in time to vote.<sup>19</sup>

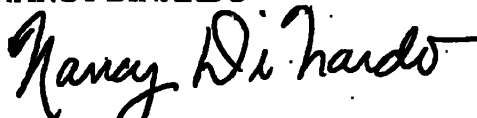
Despite being based in Stamford, CT, WWE has not taped a 'Smackdown' program in the state in the last six months -- and has no plans to do so for the rest of the year.<sup>20</sup>

The WWE's decision to schedule the filming of a major event in a Democratic stronghold at precisely the time that many area voters will be leaving work and attempting to vote in the final hours the polls are open raises serious questions about whether this event is simply an attempt to suppress voter turnout among constituencies that would not be expected to favor McMahon's candidacy. Given Linda McMahon's controlling familial interest in the company, and her husband's role in orchestrating the major actions of the company, the event may also represent an illegal coordinated campaign expenditure.

#### **Conclusion**

Linda McMahon maintains a close personal, familial, and financial connection to the WWE, and is relying upon the resources of that company to advance her campaign in an apparently coordinated manner. We assert that the information provided in this letter provides a sufficient basis for the FEC to find a reason to believe that the McMahon campaign has violated federal election law. We therefore request that the FEC open an investigation into these WWE events and broadcasts occurring just prior to and during the upcoming election and impose any appropriate civil penalties.

NANCY DINARDO



CHAIRWOMAN

CONNECTICUT DEMOCRATIC STATE CENTRAL COMMITTEE

<sup>1</sup> Linda McMahon for Senate, 973 Farmington Ave, West Hartford, CT 06107.

<sup>2</sup> Conn. Democrats, CT Dems File FEC Complaint Against Linda McMahon, Campaign, WWE (Press Release) (Nov. 2, 2009), <http://www.ctdems.org/releases.php?id=154>.

<sup>3</sup> WWE Executive Officers (last accessed Oct. 18, 2010), <http://corporate.wwe.com/company/executive.jsp>.

<sup>4</sup> WWE 2009 Annual 10-K Report, [http://www.sec.gov/Archives/edgar/data/1091907/000120677410000348/www\\_10k.htm](http://www.sec.gov/Archives/edgar/data/1091907/000120677410000348/www_10k.htm)

<sup>5</sup> 11 C.F.R. §100.16.

<sup>6</sup> 11 C.F.R. §109.20(a).

<sup>7</sup> 11 C.F.R. §109.20(b).

<sup>8</sup> 11 C.F.R. §104.13.

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<sup>9</sup> 2 U.S.C. §441b(a)

<sup>10</sup> Maggie Haberman, Linda McMahon's WWE Teamed with Porn Show, The Politico, Oct. 3, 2010,

<http://www.politico.com/news/stories/1010/43041.html>

<sup>11</sup> Susan Hersh, Anti-Oswald Group Fears Senate Win by Ex-WWE Exec, The Associated Press, Oct. 14, 2010,

<http://www.washingtonpost.com/wp-dyn/content/article/2010/10/13/AR2010101304413.html>

<sup>12</sup> Ted Menn, "Stand Up for WWE" - the Corporation Jumps Into the Campaign, Oct. 18, 2010,

<http://www.theday.com/article/20101018/INTERACT910403/101019641>

<sup>13</sup> Stand Up for WWE (last accessed Oct. 18, 2010), <http://www.wwe.com/inside/standupforwwe/>

<sup>14</sup> WWE Supports The Make-A-Wish Foundation, at 0:05 (2010) (online at <http://www.youtube.com/watch?v=S7fmdsZbP98>).

<sup>15</sup> WWE will hold Fan Appreciation Day Oct. 30 in Hartford (last accessed Oct. 18, 2010),

<http://www.wwe.com/inside/news/fanappreciationday>.

<sup>16</sup> Jordan Fabian, High-profile wrestler campaigns for McMahon, The Hill, Oct. 2, 2010, <http://thehill.com/blogs/blog-briefing-room/news/122213-high-profile-wrestler-campaigns-for-mcmahon>.

<sup>17</sup> XL Center of Hartford, WWE Presents Fan Appreciation Day (last accessed Oct. 18, 2010)

<http://www.xlcenter.com/default.asp?xlcenter=30&objid=384>.

<sup>18</sup> WWE Live Events (last accessed Oct. 18, 2010) <http://www.wwe.com/schedules/events/>

<sup>19</sup> Brian Beutler, Smackdown! How The WWE Might Bodyslam Voter Turnout In Connecticut, Talking Points Memo (Oct. 14, 2010)

<http://talkingpointsmemo.com/2010/10/smackdown-how-the-wwe-might-bodyslam-voter-turnout-in-connecticut.php>

<sup>20</sup> Friday Night Smackdown! 2510 (last accessed Oct. 18, 2010), <http://www.pwwew.net/tv/smackdown/index.htm>

State of Connecticut, }

ss. TRUMBULL

County of Haddam }

Personally Appeared

Nancy DiNardo

Signer(s) of the foregoing instrument, and acknowledged the same to be his/her/their free act and deed, subscribed and sworn to before me on this 2nd day of Dec, 2010.

Virginia Cellio

Notary Public/Commissioner of Superior Court

My Commission exp 4/13